MEMORANDUM FOR RECORD

SUBJECT: AQO Staff Meeting Minutes, June 11, 1996

PERSONNEL MOVES. Congratulations to Ms. Penny Kingsbury, who has been selected as the Chief of the Workforce Strategy Team, and to Ms. Shirley Taylor, who has been selected as the AQO Deputy Executive Director's Management Assistant.

ACQUISITION REFORM ACCELERATION DAY FOLLOWUP. Feedback on the Acquisition Reform Acceleration Day continues to be extremely positive within DCMC and across the Department of Defense. Our support of the Services activities on Acceleration Day also received a positive response. Each of the video presenters received phone calls on May 31st. Please know that they are available on a continuing basis to support you and any questions you may have. Formal responses are due from the Districts on June 17. They will be summarized in the Command's response back to Dr. Kaminski. Look forward to a letter from HQ discussing the importance of maintaining the positive momentum that was achieved on Acceleration Day and soliciting your ideas. Some have suggested setting aside a few hours each month for acquisition reform activities. Others have suggested use of VTCs. Please provide your thoughts and ideas.

AQ VTC. The Jun 17 VTC will feature Ms. Carol Collins, AQOJ, presenting an update on the DCMC internal process standardization challenge. Also featured will be a demonstration of the DoD Acquisition Deskbook.

BUSINESS PLAN. There will be a meeting next week w/AQB/field representatives to review the 1997 DCMC Business Plan.

IDS MEETING. The next Interdepartmental Staff Meeting w/the Director, Defense Procurement, will be July 2, 1996. As soon as agenda is received, AQO teams will be apprised of fact sheet requirements.

MAGNETIC SECURITY BADGES. AQ personnel will be scheduled to receive the new employee badges with a magnetic strip sometime next month. More to follow.

SPI ACTIVITY. There were three mods signed this week:

o Group Technologies Corp (GTC) in Tampa, FL, signed a block change

mod on June 5, 1996. The facility has gone to an ISO 9000 based quality system.

- o United Defense, L.P. (UDLP) in York, PA, signed a block change mod on June 6, 1996. This mod incorporated the following: First Article Approval (Component Level), First Article Test Report (Component Level), First Article Approval (Vehicle Level), and Sampling Plan.
- o Hughes Tucson in AZ signed a block change mod on June 7, 1996. This mod allows the facility to use a common process on soldering and hybrid microelectronics assemblies.

o SPI "On the Road"

oo Jim Bauer is in Denver, CO, on the 13, 14 Jun attending the Lockheed Martin Quarterly SPI status meeting.

oo MAJ Jack Econom is a panel member at the Army SPI conference on 13 Jun.

PRODUCT & MANUFACTURING ASSURANCE TEAM (AQOG).

- o Update, PQM 301, Advanced Production and Quality Management DAU course: Mr. Poulin participated in an In-Process Review held 29-30 May at the Defense Acquisition University to review the lesson plans for PQM 301. Overall, the course sponsor, Defense Systems Management College, showed significant improvement in updating the technical content and redirecting emphasis of the course to the target audience, manufacturing, quality assurance and engineering. The final review of PQM 301 is scheduled 24-25 Jun 96 with the initial course offering scheduled for 15-26 Jul 96.
- o On 5 Jun and 7 Jun 96, DCMC Raytheon and DCMC HQ hosted the French Defense Procurement Quality Assurance Director, Lt. General Jean Le Gad and two staff members, Col. Dominique Truchetet and Maj. Jean Paul Huberland. The delegation specifically requested briefings related to engineering, manufacturing and quality assurance surveillance. Additional topics related to the SPI and the Performance Based Staffing Model were also of interest to the delegation. The French Defense Procurement Quality Assurance Directorate is facing similar resource constraints as DCMC and his organization is looking for models / approaches developed by professional organizations like ours. Lt. Gen Le Gad was extremely pleased with the DCMC Raytheon and DCMC HQ briefings and expressed his appreciation for the professionalism of DCMC people, the content of the briefings and our responsiveness to his questions.

WORKFORCE STRATEGY TEAM (AQOJ).

o The following topics will be covered in the Training Analysis
Sessions scheduled from Jun 25 through Aug 29: Customer Liaisons;
Assessment Examiner; Business Planning and Budgeting; Contracting
Office Representative/Contracting Office Technical Representative
(COR/COTR); MOCAS; Procurement Clerk/Contract Management Assistant;
Cost Price/Parametrics/Integrated Product Team (IPT) Pricing, Past
Performance; Defense Corporate Executive (DCE) and Corporate
Administrative Contracting Officer (CACO).

CUSTOMER SUPPORT TEAM (AQOA).

- o Effective Jun 7, 96, Mr. Doug Davy was assigned as the DCMC Liaison to the Defense Systems Management College (DSMC).
- o Effective Jun 14, 96, the Program Support Database (PSD) will be downloaded and archived.

OVERHEAD CENTER OF EXCELLENCE (AQOK).

- o Hearings commenced on June 11,1996, before the Armed Services Board of Contract Appeals (ASBCA 46759) regarding Gould. The issue before the Board concerns the actuarial assumptions required under Cost Accounting Standards in conjunction with termination of former Gould segment pension plans. Mr. Patrick Ring, the Overhead Center Actuary, was the first Government witness.
- o Mr. Guinasso, currently at HQ DCMC in the Professional Enhancement Program, will be working a special project for the Overhead Center. He will analyze the reasons behind the increasing number of overaged Cost Accounting Standards noncompliances and which process improvements, policy clarifications, or specialized assistance are required to reduce the backlog. Mr. Guinasso will be contacting the Districts and selected field offices to work the project on a collaborative approach.
- o Mr. William Hill, Overhead Center, met with some of our classified customers in Dallas to present an update on recent merger/acquisition activity.

PAYMENT, CLOSEOUT & PROPERTY TEAM (AQOE).

- o Janice Hawk will be receiving an award for her hard work, initiative, and professionalism during the National Property Mangement Association meeting on 27 June. Congrats to Janice!
- o Nelson Cahill will move to AQOD next month to work Early CAS--and ensure Govt Property issues are addressed in the preaward phase of the

acquisition process.

- o Major Rivas will be departing next month. His replacement, Major Smith, will be joining the team soon thereafter.
- o We've been asked by Ms. Druyun, Deputy Assistant Secretary of the Air Force (Acquisition), to help the F-15 Program Office streamline the contract closeout process. "Heads up" to DCMC McDonnell Douglas St Louis! More to follow.
- o We're finalizing comprehensive policy on performance based payments and the use of the Coopers & Lybrand reconciliation software. If the field experiences payment problems with commercial item financing and/or performance based payments, we'd appreciate a phone call (703) 767-3436 or (703) 767-3435 with the specifics. We're attempting to automate those processes and are working with the OSD Finance Committee to resolve problems encountered thus far.

APPROVED:

Frank J. Lalumiere for/

JILL E. PETTIBONE Executive Director Contract Management Policy